

# FISCAL NOTE

## HB 549 - SB 836

March 14, 2005

**SUMMARY OF BILL:** Requires schools considered eligible postsecondary educational institutions under the provisions governing lottery-funded financial aid to execute statewide articulation agreements prior to the disbursement of any funds appropriated by the General Assembly for scholarships and grants awarded from the Tennessee lottery proceeds. The bill requires THEC to assist with the development, monitoring, and enforcing of articulation agreements among such institutions. *Articulation* is the method by which credits earned at one school transfer to another school.

### ESTIMATED FISCAL IMPACT:

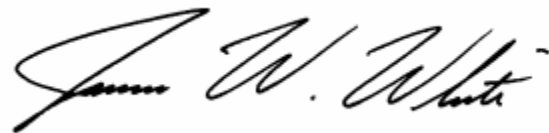
**Other Fiscal Impact – Decreases the expenditure from lottery proceeds earmarked for scholarships and grants. Such decrease is estimated to exceed \$100,000.**

#### Assumptions:

- The bill requires articulation agreements for all participating institutions, whether public or private.
- The implementation of institutional transfer and articulation agreements across the independent sector is estimated to be administratively difficult. Therefore, few institutions would be able to comply with this provision, except for transfer of college core between state institutions.
- Because of this requirement there would be few institutions, if any, that would be eligible to receive lottery scholarship funds. Therefore, state expenditures from lottery proceeds are expected to decrease in an amount exceeding \$100,000.

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White".

James W. White, Executive Director